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. . . . The 142nd meeting of the CIA RETIREMENT BOARD convened at 2:00 p.m. on Thursday, 3 September 1970, with the following present:

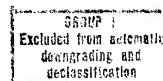
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Chairman  
 DP Alternate Member  
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 al Advisor  
 Executive Secretary  
 Recording Secretary


25X1A9a [REDACTED] I believe you now have a copy of the three letters, as you requested, the pre-Retirement Counseling letter, the Retirement Administration letter, and the one regarding legislation pertaining to the CIARDS retirement quota.

I might add that Col. White is sitting on the one having to do with legislation pertaining to the CIARDS quota, sitting on it in the sense that he didn't really feel he had to come back to us for guidance -- it was more to push toward accelerated activity in terms of the legislative program. But he did prepare a draft letter making certain recommendations, which we re-wrote for him and when I went back to discuss with him why he should tone down his letter a bit, he also had had Tom K's letter, and all of which gave him some pause, and he was about to go on leave, and he knew we weren't going to have any Retirement Board meetings anyway, so he didn't send it -- so as of this point there is no general change in our approach. But I also have a book dispatch for overseas -- which I'm holding. No problem under Civil Service that the discontinued aspect will be available, but when he first approached us there was some question whether the under 50 for CIARDS would remain available -- and I haven't been able to pin him down on that yet. There's not a big number involved in that anyway -- but his general feeling was - with the quota as tight as it was, should we really let these 45 year olds retire.

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 Yes! if he wants us to get down to ceiling.

Anyway, we haven't changed anything as of

now.

Now, there is one more letter and since you don't have a copy of it, I'll read it to you, just so you are absolutely current on this. This is the draft of a pitch that could be made by the Director if a decision is made to go for legislation just for a change in quota rather than the whole Omnibus Bill, or even to emphasize the quota aspects of the Bill but go for the whole works. And this has a little rather interesting history -- most

25X1A9a of it contributed by  -- which might give you a better feeling. We all collaborated on this draft - the OGS, OLC, and Personnel. (Reading)

Under the Central Intelligence Agency Retirement Act of 1964 for Certain Employees there is a limitation on the number of employees who, except for disability, can be retired during the first ten years. Specifically, the ceiling was set at 400 for the five-year period ending 30 June 1969 and 400 for the next five years ending 30 June 1974; thereafter, there is no limitation on numbers.

This limitation was inserted by Congress in recognition of the fact that although only a portion of CIA employees were to be covered by the act, security considerations precluded detailed statutory description of the type of employee to be covered. This ceiling provided a mechanism for assuring that the retirements (authorized under regulations promulgated by the Director of Central Intelligence and approved by the Armed Services Committees of both Houses) were controlled during the initial years. The experience, guidelines and precedents of these initial years would contribute to the sound operation of the system in subsequent years when the ceiling would no longer apply.

The ceiling limitations set in 1964 were based upon the best estimates available at the time for the first five years, and on an assumption of a stable rather than a decreasing work force. We were able to operate comfortably under the first five year limit of 400 through 30 June 1969. For the second five years we estimate that the ceiling of 400 will be exhausted sometime in 1972. An important change in circumstances is that the Agency, in the recent past and for the near future, is decreasing its work force to reach reduced ceiling levels. Our retirement act has been an invaluable aid in meeting these reductions.

At the present time there have been 201 retirements chargeable to the second five-year quota of 400. There will be a known additional 154 mandatory retirements through 30 June 1974, leaving a total of only 45 for voluntary

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retirements. Based on experience, it can be expected that requests for voluntary retirements will use up this remaining quota by 30 June 1971. Thereafter, the Agency would not be able to honor requests for voluntary retirement until 1 July 1974, when the limitation no longer applies. It is true that we could simply honor all requests for retirement without reserving spaces for known mandatory retirements. On this basis we can probably go until 30 June 1972 before we are up against the wall. This approach, however, would completely disorganize planning by prospective retirees and the training and reassignment of replacements. Further, it would eventually require extensions for employees subject to mandatory retirement for age.

In summary, it is important if not imperative that the retirement ceiling in section 236 of the act which applies only through 30 June 1974 either be increased to 800, which provides a comfortable margin for contingencies, or be repealed outright. This will insure the continued operation of the CIA Retirement Act in fulfilling the important purpose for which it was enacted and will provide the needed element of certainty required for the advanced planning activities involved in the retirement process. It will also assure that our retirement act can continue to play a significant role in our effort to reduce Agency strength to meet reduced manpower authorizations. We believe that during its first six years the act has been administered in keeping with the intent of Congress and that continuity of such administration is assured by the wording of the law itself and the experience and precedents already established.

Now the figures in that draft are pencilled in, because they will change. And that has been forwarded to Col. White. We keep pushing it. We haven't gotten our paper back from the <sup>OMB</sup> BoB yet, but they've heard from Civil Service and Civil Service has no objection to our Omnibus Bill -- and they've heard from State, and apparently they have no objection. The last I heard they were waiting for the actuary at Treasury to comment on it -- and they expected no objection from them. And when we get that back, supposedly it will be ready to submit when Congress reconvenes after the Labor Day holiday.

Now, we have the Minutes of 23 July and of 6 August.

25X1A I don't know if you all agree on this, but I did send the Minutes of 6 August back to [REDACTED] to be rewritten. The narrative on [REDACTED] s 25X1A9a almost verbatim everything that [REDACTED] said about himself, and as you go through 25X1A9a it reading about [REDACTED] and so on,

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